GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:667
ANSWERED ON:28.07.2006
RESTRUCTURING OF STATE ELECTRICITY BOARDS
Sugavanam Shri E.G.

Will the Minister of POWER be pleased to state:

(a) whether the Union Government has directed various State Governments to restructure their electricity boards;

(b) if so, the details thereof; and

(c) the steps taken by the State Governments for compliance of the direction of the Union Government?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (c) : Before enactment of the Electricity Act, 2003, various States had enacted State Electricity Reforms Acts which provided for reorganization of their State Electricity Boards (SEB).

Section 172 (a) of the Electricity Act, 2003 provides that the SEB shall be deemed to be the State Transmission Utility (STU) and a licensee under the provisions of the Act for a period of one year from the appointed date, i.e. 10th June, 2003. This section further provides that the State Government may, by notification, authorise the State Electricity Board (SEB) to continue to function as the State Transmission Utility or a licensee for such further period beyond the period of one year of the provisions of the Act coming into force, as may be mutually decided by the Central Government and the State Government.

So far, 12 states have reorganized their SEBs. Orissa, Haryana, Andhra Pradesh, Karnataka, Uttar Pradesh, Uttaranchal, Rajasthan, Delhi, Gujarat and Madhya Pradesh have done so under their State Electricity Reforms Acts. Assam and Mahrashtra have reorganized their SEBs under the provisions of the Electricity Act, 2003. The SEB of Assam presently continues to discharge the licensee function only for trading of electricity.

Nine States are yet to reorganize their SEBs. These States have, from time to time, sent proposals to the Central Government for extension of time for the reorganization of their respective SEB. The Central Government has agreed to extension of time under section 172(a) of the Act.